



Memorandum

TO: HONORABLE MAYOR AND
CITY COUNCIL

SUBJECT: FEDERAL TRANSPORTATION
FUNDING BILL

FROM: James R. Helmer
Betsy Shotwell

DATE: 08-09-05

Approved

Date

8/9/05

INFORMATION

On July 29, 2005, nearly 22 months overdue, the United States Congress approved the Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users (SAFETEA-LU). SAFETEA-LU provides \$286.4 billion in guaranteed highway, transit and highway safety investment for the six-year period of 2004 through 2009, a 38 percent increase in investment over the \$208 billion Transportation Equity Act for the 21st Century (TEA-21). The President has indicated that he will sign the bill, and several transportation organizations are reporting that the President will make SAFETEA-LU official on August 10, 2005.

The bill guarantees \$193 billion for highways (79 percent) and \$45 billion for transit (18.5 percent) for federal FY 2005-2009, the remaining 2.5 percent provides funding for behavioral safety grants and enforcement. California will see its rate of return of federal highway formula funding increase by 34.3 percent from TEA-21 levels of approximately \$2.6 billion per year to approximately \$3.4 billion per year under SAFETEA-LU. This bill provides federal funding for programs such as local street pavement maintenance (approximately \$3 million to \$4 million a year for San José), bicycle/pedestrian, freeway, transit and other projects included in the Valley Transportation Plan (VTP) 2030.

Included in the final version of SAFETEA-LU were more than 6300 earmarks for various projects nationwide. City of San José earmarks included in SAFETEA-LU reflect City priorities and transportation priorities adopted by Council for inclusion in VTP 2030, the countywide transportation plan. The approval of SAFETEA-LU earmarks \$60 million of federal transportation funding for investment in several transportation infrastructure projects within the City's boundaries. The San José regional congressional delegation collaborated closely in support of achieving these City transportation priorities. As members of the House and Senate committees with jurisdiction over the transportation reauthorization bill, Representative Honda and Senator Boxer led delegation efforts. Representative Lofgren and Senator Feinstein individually contributed to securing funding for critical projects within the City. Representatives Eshoo and Pombo also assisted in regional efforts, including authorization language supporting the BART extension to Silicon Valley.

City of San José earmarks included in the bill are:

I-880/Stevens Creek Interchange Upgrade	\$12.6 million
Silicon Valley Transportation Incident Management Center (TIMC)	\$ 6.4 million
Guadalupe River Trail – I-880 to SR 237	\$ 6.4 million
US 101 Operational Improvements (U.S. 101/Tully Road Area)	\$ 4 million
Coyote Creek Trail – Story Road to Montague Expressway	\$ 4 million
Total	\$33.4 million

In addition, the bill included several other earmarks of interest to San José that were sponsored by other agencies:

BART to Silicon Valley (VTA)	\$11 million
I-880/Coleman Interchange and other I-880 Corridor Improvements (VTA)	\$ 8 million
US 101 Corridor Improvements – Route 280 to the Capitol/Yerba Buena (VTA)	\$ 4 million
Almaden Expressway Improvements between Branham Lane and Blossom Road (Santa Clara County)	\$2.8 million
Alviso Bay Trail from Gold Street to San Tomas Aquino Creek (Santa Clara County)	\$0.8 million
Total	\$26.6 million

Other provisions of interest in SAFETEA-LU are:

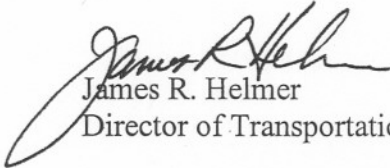
- **FTA Cost-Effectiveness Standards:** Contains language that grandfathers the BART to Silicon Valley Project and three other projects nationwide under the old Federal Transit Administration's (FTA) cost-effectiveness standards.
- **New Rail Starts:** More than \$5 billion in years 2007 through 2009. This program provides discretionary funds that are made available for the construction of new fixed rail systems, such as BART to Silicon Valley.
- **Safe Routes to School:** \$612 million over six years for comprehensive street and sidewalk improvements including grade crossings, markings and stoplights.
- **Transportation Enhancements:** Continues as a 10 percent set-aside, approximately \$3.5 billion over six years. Approximately 55 percent of enhancements funding goes to bicycle/pedestrian trails and rail-trail conversion projects.
- **Congestion Mitigation Air Quality (CMAQ):** \$8.6 billion over six years towards projects that reduce air pollution.
- **Congestion Relief:** Requires the Secretary of Transportation to establish a real-time system management information program to provide the capability to monitor real-time traffic and travel conditions on major highways.
- **Highways for LIFE:** A new program, to be applied in all states to the maximum extent feasible, to encourage state-of-the-art technology, elevated performance standards, and new business practices in highway construction to improve safety, speed construction, reduce congestion, improve quality, and satisfy users.

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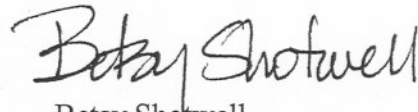
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- **Environmental Streamlining:** Allows five states (Alaska, California, Ohio, Oklahoma, and Texas) to participate in a "stewardship pilot program," which will allow the delegation of all U.S. DOT environmental responsibilities under certain circumstances to state DOTs. This pilot program is intended to allow state DOTs to take on greater responsibility for environmental compliance and to demonstrate environmental stewardship in meeting and exceeding environmental requirements.



James R. Helmer
Director of Transportation



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